

## **FISCAL NOTE**

### **SB 463**

February 10, 2001

#### **SUMMARY OF BILL:**

- Clarifies definition of bottled water.
- Exempts manufacturers of bottled water from payment of the Gross Receipts Tax imposed in TCA 67-4-402.

#### **ESTIMATED FISCAL IMPACT:**

##### **Decrease State Revenues - Exceeds \$1,524,000**

Estimate assumes the following:

- Revenue collections for the Gross Receipts tax on bottlers in FY 99-00 was \$9,525,382.
- The Gross Receipts Tax Base is estimated at approximately \$501,335,900.
- According to information provided by the Department of Revenue, bottled water represents approximately 16% of total soft drink sales.
- The Gross Receipts Tax base that would be exempt is estimated at approximately \$80,213,743.
- The Gross Receipts Tax on bottlers is 1.9%.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director